Great Britain and Canada Investment Corporation

ANNUAL REPORT

FOR THE YEAR ENDING
MARCH 31ST
1930

Head Office:
355 ST. JAMES STREET
MONTREAL

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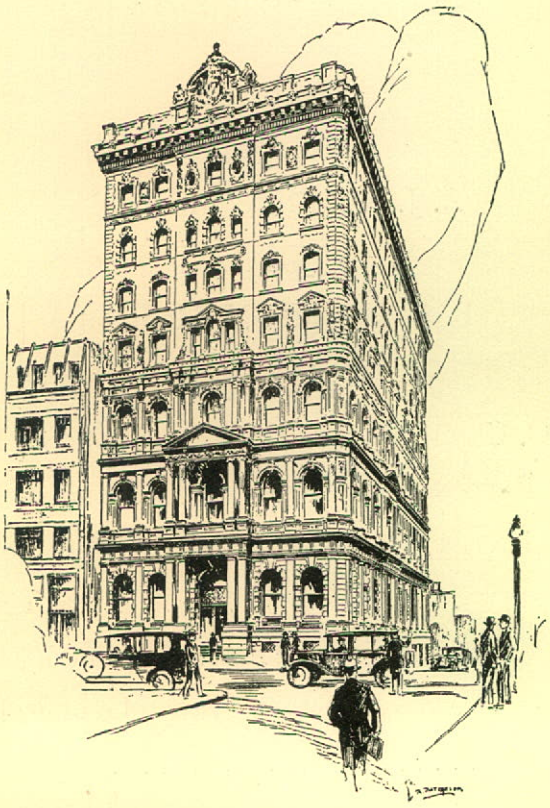


Head Office:

GREAT BRITAIN AND CANADA INVESTMENT CORPORATION

355 St. James Street West

MONTREAL

Great Britain and Canada Investment Corporation

355 St. James Street, West
MONTREAL, QUE.

OFFICERS

President
A. J. NESBITT, Montreal

Vice-President
P. A. THOMSON, Montreal

Directors

Hon. A. O. Crichton	London, England.
James A. Falconer	London, England.
Carl R. Ganter	New York, N.Y.
Ernest Iselin	New York, N.Y.
Stewart Kilpatrick	London, England.
Capt. O. Lyttleton, D.S.O.	London, England.
A. J. Nesbitt	Montreal, Que.
P. A. Thomson	Montreal, Que.
James B. Woodyatt	Montreal, Que.
Robert M. Youngs	New York, N.Y.

L. C. Haskell, Secretary.
V. J. Nixon, Assistant Secretary.
G. Biddle, Assistant Secretary, (New York.)
F. D. Lamont, Treasurer.
M. M. Cox, Assistant Treasurer.

Auditors
P. S. Ross & Sons, Montreal, Que.

Great Britain and Canada Investment Corporation

May 10th, 1930.

TO THE SHAREHOLDERS:—

Your Directors take pleasure in presenting the first Annual Report covering operations of your Corporation for the year ending March 31st, 1930. Your Corporation during the year under review has made considerable progress, as will be seen from the report herewith submitted and the following figures:

Net Profit from Operations after providing for expenses..		$582,876.28
LESS:		
Interest on 4½% 30-year Convertible Debentures outstanding	$267,072.34	
Dividend on 40,000 Shares 5% Cumulative Preferred Stock	200,000.00	
		467,072.34
Balance		$115,803.94

As your Corporation started operations on the 1st April, 1929, there is no surplus account from prior operations to be considered.

The assets of your Corporation consist of Cash on Hand, Call Loans (secured) and Security Investments, made up of bonds and preferred and common stocks of leading public utility and industrial companies in the following proportions, as at March 31st, 1930:

Bonds	12.83%
Preferred Stocks	23.03%
Bank Stocks	2.64%
Common Stocks	53.54%
Cash and Call Loans	7.96%
	100%

A list of the holdings of security investments will be found in another part of this report. Their geographical distribution at the same date was as follows:

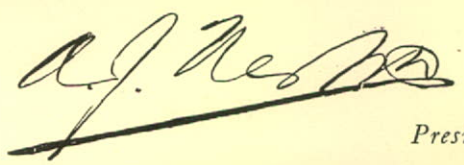
Canada	37.65%
United States	40.44%
British Empire (Excl. Canada)	11.16%
Foreign (Excl. U.S.A.)	10.75%
	100%

The world wide recession in market value of securities which took place during the latter part of 1929 is reflected to some extent in this report. In spite of this recession in values your Directors are pleased to report that the net depreciation of the securities held by your Corporation at March 31st, 1930, after applying the amount of $720,323.25 at the credit of Investment Reserve Account showed a net depreciation of approximately 2%. This depreciation is an unrealized loss which should be more than overcome during the first half of 1930, in view of the steady appreciation which has taken place in security values since the close of your Corporation's fiscal year.

Your Directors feel that they should continue the policy of investing your Corporation's Capital with a view to safety of principal and adequate revenue the first requisite.

The books and accounts of your Corporation have been audited by Messrs. P. S. Ross & Sons, Chartered Accountants, whose certificate is attached.

Respectfully submitted on behalf of the Board.



President.

GREAT BRITAIN AND CANAD

Balance Sheet as

ASSETS

Cash	$ 31,726.63
Call Loans	900,000.00
Due From Brokers	56,462.85
Investment Securities (x)	10,762,182.00
Accrued Revenue from Investments	118,804.59
	$11,869,176.07

(x) Note — After taking into consideration the amount at the credit of Investment Reserve, the Market Value of the Securities owned by the Corporation at 31st March, 1930, showed a depreciation from Book Value of $228,881.69 or 2.12%.

Approved on behalf of the Board: P. A. THOMSON, R. M. YOUNGS } Directors.

INVESTMENT CORPORATION

March 31st, 1930

LIABILITIES

Account Payable	$ 150.00
Accrued Expenses	32,898.88
Investment Reserve (Net Profits from the Sale of Investments Transf. to Reserve)	720,323.25
Debentures Outstanding 4½% Thirty-Year—due 1st April 1959	6,000,000.00
Capital Stock	
Preferred—5% Cumulative Convertible. Authorized and Issued—40,000 shares of $100. each	4,000,000.00
Common—No Par Value. Authorized—550,000 shares (of which 200,000 are held in Treasury for conversion of Debentures and Preferred Stock)	
Issued and Outstanding—350,000 shares (of which 100,000 are held in Escrow to cover warrants issued with Debentures and Preferred Stock)	1,000,000.00
Surplus (Subject to Dominion Income Tax)	115,803.94
	$11,869,176.07

AUDITORS' CERTIFICATE

To the Shareholders,
Great Britain and Canada Investment Corporation,
Montreal.

We have audited the books of the Great Britain and Canada Investment Corporation for the year ended 31st March 1930, and have obtained all the information and explanations which we have required.

We certify that, in our opinion, the attached Balance Sheet and Profit and Loss Statement correctly set forth the financial position of the Corporation at 31st March 1930, and the results from operations for the year ended that date, according to the best of our information, the explanations given to us, and as shown by the books of the Corporation.

(Signed) P. S. Ross & Sons,
Chartered Accountants.

Montreal, Que., 23rd April, 1930.

Great Britain and Canada Investment Corporation

Profit and Loss Statement

For the Year Ended 31st March, 1930

Revenue from Investments	$447,391.13	
Revenue from Stock Dividends sold	17,843.67	
Revenue from Interest Earned	189,567.23	$654,802.03
DEDUCT: Management and General Expense	71,925.75	
Interest on 4½% Convertible Debentures	267,072.34	338,998.09
Net Revenue for year ended 31st March, 1930		315,803.94
DEDUCT: Dividends paid on 5% Cumulative Preferred Stock		200,000.00
Surplus at 31st March, 1930 (subject to Dominion Income Tax)		$115,803.94

Audited and Certified, in accordance with our attached Certificate.

(Signed) P. S. Ross & SONS,
Chartered Accountants

MONTREAL, 23rd April, 1930.

Great Britain and Canada Investment Corporation

LIST OF HOLDINGS

as at March 31st, 1930

BONDS

$ 50,000	Republic of Chile	6%	1960
50,000	Republic of Colombia	6%	1961
31,600	East Kootenay Power Co., Ltd.	7%	1942
100,000	Eastern Dairies Limited, Conv.	6%	1949
100,000	Foreign Power Securities Corp. Ltd., Conv.	6%	1949
110,000	Fraser Companies Ltd., Conv. Notes.	6%	1932
30,000	Fraser Companies Ltd., Deb.	6½%	1942
£10,000	Hungarian Land & Mortgage Inst.	7½%	1961
$ 50,000	Italian Superpower Corp., Deb.	6%	1963
2,000	American Certificates representing Kreuger & Toll Co., Part. Deb.		
$ 12,000	Lake Superior Corporation	5%	1944
100,000	McColl-Frontenac Oil Co. Ltd., Conv.	6%	1949
£ 5,000	Metallbank & Metallurgische Gesellschaft A. G., 15 yr. Deb.	6½%	1943
$ 75,000	Mexican Electric Light Co., Ltd.	5%	1942
76,500	Mexican Light & Power Co., Ltd.	5%	1940
150,000	Montreal Island Power Co., Ltd.	5½%	1957
50,000	J. R. Moodie Co., Ltd	6%	1948
50,000	Northwestern Power Co., Ltd., Conv.	6%	1960
50,000	Northwestern Utilities Ltd	7%	1938
£ 14,500	Peruvian Government Internal. Loan	7%	1918
$ 50,000	Philadelphia & Reading Coal & Iron Co., Conv. Deb.	6%	1949
145,000	Power Corp. of Canada Ltd., Conv. Deb.	4½%	1959
£ 2,500	Snia Viscosa	7½%	1951
$ 50,000	Texas Corporation, Conv. Deb.	5%	1944
50,000	Tokyo Electric Light Co.	6%	1953

PREFERRED STOCKS

1,000	Abitibi Power and Paper Co. Limited	6%
1,000	American & Foreign Power Co., 1st	$7
500	American & Foreign Power Co., 2nd	$7
500	American Power & Light Co., stamped	$5
500	American Superpower Corporation, 2nd	$6
3,000	Belgian National Railways	6%
500	Canada Cement Co. Limited	6½%
1,000	Canada Northern Power Corp. Limited	7%
250	Canada Steamship Lines Limited	6%
500	Canada Wire & Cable Co. Limited	6½%
750	Canadian Celanese Limited	7%
15,000	Canadian Eagle Oil Limited	7%
1,600	Celanese Corporation of America, 1st Part.	7%
1,000	Commonwealth and Southern Corporation.	$6
10,000	Daily Chronicle Inv. Corp., 1st	7%
500	Dominion Tar & Chemical Co. Limited	6½%
210	East Kootenay Power Co. Limited	7%
720	Eastern Dairies Limited	7%
800	Electric Power & Light Corp., 2nd	$7
500	Federal Water Service Corp	$6
685	Foreign Power Securities Corp. Limited	6%
10,000	D. Gestetner Limited	7%
500	Gulf States Utilities Corporation	$6
500	Intercontinents Power Co	$7
500	International Match Co.	$4
5,000	Leeds Fireclay Co. Limited	12½%
250	MacKinnon Steel Corp. Limited	7%
1,000	McColl-Frontenac Oil Co. Limited	6%
600	Morrison Brass Corporation Limited	7%
500	New York, New Haven & Hartford R.R. Co.	7%
20	Northern Ontario Power Co. Limited	6%
1,000	Peoples Light & Power Corporation	$6
500	Power Corporation of Canada, Limited	6%
1,000	Radio Corporation of America, Class "B"	$5
500	Reliance Grain Co. Limited	6½%
750	St. Lawrence Paper Mills Co. Limited	6%
500	Shell Union Oil Corporation, Conv.	5½%
500	Starrett Corporation	6%
500	Steel Co. of Canada Limited	7%
1,000	United Corporation	$3
2,000	United Light & Power Co., Conv.	$6
10,000	Van den Berghs, Ltd., Pfd. Ordinary	15%
740	Windsor Hotel Co., Limited	6½%
510	Winnipeg Electric Co. Limited	7%
1,000	Zinc Corporation	40%

COMMON STOCKS—BANK AND FINANCE

250 Bank of Montreal.
2,000 Daily Mail Trust Limited.
300 First National Bank of Boston.
50 Hong Kong and Shanghai Banking Corporation.
RM 50,000 Reichbank.
250 Royal Bank of Canada.
4,000 Scottish Eastern Investment Trust Ltd., Deferred

COMMON STOCKS—RAILROADS

500 Atchison, Topeka and Santa Fe R.R. Co.
500 Atlantic Coast Line R.R. Co.
1,000 Canadian Pacific Railway Co., old.
500 Chicago and Northwestern Railway Co.
1,000 Illinois Central R.R. Co.
539 New York Central Railroad Co.
300 Norfolk and Western Railway Co.
1,000 Southern Railway Co.

COMMON STOCKS—PUBLIC UTILITY

1,000 Brazilian Traction, Light and Power Co., Limited.
10,000 British Columbia Power Corporation Ltd., "A".
15,000 Cables and Wireless Ltd., "A".
4,565 Cables and Wireless Ltd., "B".
3,165 Canada Northern Power Corporation Limited.
2,000 Commonwealth and Southern Corporation.
1,650 Consolidated Gas, Electric Light & Power Co. of Baltimore.
500 Electric Bond and Share Co.
2,000 Foreign Power Securities Corporation Ltd.
2,000 Imperial Continental Gas Association.
1,500 Intercontinents Power Co., "A" Warrants.
2,000 International Utilities Corporation, "A".
734 Montreal Island Power Co. Limited.
500 National Power and Light Co.
2,500 Niagara Hudson Power Corporation.
333 1/3 Niagara Hudson Power Corp., "A" Warrants.
2,000 North American Company.
200 Pennsylvania Water and Power Co.
1,000 Peoples Light and Power Corp., "A" Warrants.
1,500 Power Corporation of Canada Limited.
5,000 Primitiva Holdings Limited.
1,500 Shawinigan Water and Power Co. Limited.
540 Southern Canada Power Co. Limited.
2,500 United Gas Improvement Co.
500 Winnipeg Electric Co.

COMMON STOCKS—INDUSTRIAL

2,500 American Cyanamid Co., "B".
910 Canada Wire & Cable Co. Ltd., Class "A".
1,710 Canada Wire & Cable Co. Ltd., Class "B".
500 Canada Wire & Cable Co. Ltd., "B" Warrants.
1,155 Cockshutt Plow Co. Limited.
300 Consolidated Tea & Lands Co.
500 Dominion Bridge Co. Limited.
50 Dominion Bridge Co. Limited (75% Paid).
2,000 Dominion Textile Co. Limited.
500 Dryden Paper Co. Limited.
500 Eastern Dairies Limited.
1,125 English Electric Co. of Canada Ltd., "A".
1,030 English Electric Co. of Canada Ltd., "B".
500 Fraser Companies Limited.
2,000 D. Gestetner Limited.
1,000 Gillette Safety Razor Co.
2,000 Gypsum, Lime and Alabastine Canada Limited
1,101 Harrison and Crosfield Limited.
3,750 Hudson's Bay Co.
1,000 Jorehaut Tea Co. Limited.
2,000 Lunuva Tea and Rubber Estates.
500 Mack Trucks Inc.
2,000 Margarine Unie.
800 Massey-Harris Co. Limited.
RM 25,000 Metallbank and Metallurgische Gesellschaft A. G. Warrants.
1,200 Morrison Brass Corporation Limited.
1,000 Price Bros Limited.
500 Radio Corporation of America.
500 Republic Iron and Steel Co., (Certificate of deposit).
1,000 St. Lawrence Paper Mills Co. Limited.
500 St. Lawrence Paper Mills Co. Limited, Warrants.
RM 56,000 Siemens and Halske.
500 Starrett Corporation, Warrants.
500 Steel Co. of Canada Limited.
1,000 S. K. F. Swedish Ball Bearing.
500 Swedish Match Co., "B".
350 Swedish Separator Co.
1,000 Turner and Newall Limited.
500 United States Steel Corporation.

COMMON STOCKS—OIL

200 Beacon Oil Co.
1,000 Gulf Oil Corporation of Pennsylvania.
1,000 Humble Oil and Refining Co.
1,500 Pure Oil Co.
4,000 McColl-Frontenac Oil Co. Limited.
300 Royal Dutch Petroleum Co.
500 Standard Oil Co. of California.

COMMON STOCKS—MINES

500 Anaconda Copper Mining Co.
30,000 Burma Corporation.
250 Consolidated Mining and Smelting Co. Limited.
2,250 Geduld Proprietary Mines.
2,500 Hollinger Consolidated Gold Mines, Limited.
13,333 Imperial Smelting Corporation Limited.
2,000 International Nickel Co. of Canada Limited.
4,000 Johannesburg Consolidated Investment Co.
600 Kennecott Copper Mining Corporation.
500 Newmont Mining Corporation.
5,000 Teck Hughes Gold Mines Limited.

In addition to the foregoing securities, the Corporation has miscellaneous investments having a market value as of March 31st, 1930, of $289,170.00.